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DA 14-688

**Released: May 21, 2014** 

CELLCO PARTNERSHIP D/B/A VERIZON WIRELESS, CINCINNATI BELL WIRELESS LLC, GRAIN SPECTRUM III, LLC, AND GRAIN SPECTRUM IV, LLC SEEK FCC CONSENT TO THE ASSIGNMENT OF ADVANCED WIRELESS SERVICES, PERSONAL COMMUNICATIONS SERVICE, AND LOWER 700 MHZ BAND A BLOCK LICENSES AND TO LONG-TERM DE FACTO TRANSFER LEASING ARRANGEMENTS INVOLVING ADVANCED WIRELESS SERVICES AND PERSONAL COMMUNICATIONS SERVICE LICENSES

#### **WT DOCKET NO. 14-79**

### PLEADING CYCLE ESTABLISHED

Petitions to Deny Due: June 20, 2014 Oppositions Due: June 30, 2014 Replies Due: July 8, 2014

## I. INTRODUCTION

Cellco Partnership d/b/a Verizon Wireless ("Verizon Wireless"), Cincinnati Bell Wireless LLC ("Cincinnati Bell Wireless"), Grain Spectrum III, LLC ("Grain-III"), and Grain Spectrum IV, LLC ("Grain-IV," and together with Grain-III, "Grain" and collectively with Verizon Wireless and Cincinnati Bell Wireless, the "Applicants") have filed applications pursuant to section 310(d) of the Communications Act of 1934, as amended, seeking consent to the assignment and lease of various licenses.

In particular, the Applicants seek consent to the following assignment and long-term *de facto* transfer leasing arrangements. The Applicants first seek consent to the assignment from Cincinnati Bell Wireless to Grain of six Advanced Wireless Services ("AWS-1") licenses, two Personal Communications Service ("PCS") licenses, and one Lower 700 MHz A Block license.<sup>3</sup> The Applicants then seek consent to the assignment from Grain-IV to Verizon Wireless of the two AWS-1 A Block licenses that Grain-IV proposes to acquire from Cincinnati Bell Wireless. In addition, the Applicants seek consent for Grain-III to lease to Verizon Wireless, pursuant to a long-term *de facto* transfer leasing arrangement, the spectrum

<sup>&</sup>lt;sup>1</sup> Grain-III and Grain-IV are both indirectly wholly owned by Grain Capital II, LLC, which is managed by Grain Management, LLC ("Grain Management").

<sup>&</sup>lt;sup>2</sup> 47 U.S.C. § 310(d).

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<sup>&</sup>lt;sup>3</sup> Specifically, Cincinnati Bell Wireless would assign four AWS-1 licenses to Grain-III, two AWS-1 licenses to Grain-IV, one PCS license to Grain-III, one PCS license to Grain-IV, and one Lower 700 MHz A Block license to Grain-IV.

associated with the four AWS-1 A Block licenses and the PCS license that Grain-III proposes to acquire from Cincinnati Bell Wireless. Finally, the Applicants seek consent to the partition and assignment by Verizon Wireless to Grain-IV of the portion of one AWS-1 F Block license currently held by Verizon Wireless that covers the same area as the two AWS-1 A Block licenses being assigned by Grain-IV to Verizon Wireless.

According to the Applicants, these proposed license assignments and long-term spectrum leasing arrangements follow the decision by Cincinnati Bell Wireless to exit the wireless marketplace. The proposed transaction involves only the assignment and leasing of spectrum and certain related assets.

No customers would be transferred, but the Applicants propose the following short-term *de facto* transfer spectrum leasing arrangements that would allow for Cincinnati Bell to notify its customers and to undertake the clearing of its current use of the spectrum. In particular, Verizon Wireless would lease to Cincinnati Bell Wireless the spectrum associated with the two AWS-1 licenses Verizon Wireless would acquire from Grain-IV. Verizon Wireless also would sublease to Cincinnati Bell Wireless the spectrum associated with the five licenses it would lease from Grain-III. Similarly, Grain-IV would lease back to Cincinnati Bell Wireless the spectrum associated with the one PCS license that it would acquire from Cincinnati Bell Wireless, as well as the spectrum associated with the partitioned AWS-1 license that it would acquire from Verizon Wireless. The only license that would not be the subject of a short-term lease arrangement would be the Lower 700 MHz A Block license that Cincinnati Bell Wireless would assign to Grain-IV.

According to the Applicants, the proposed transaction would allow Verizon Wireless to obtain additional spectrum capacity to meet growing customer demand for wireless broadband services and allow for contiguous spectrum both in larger blocks and more aligned with spectrum it holds in adjacent markets. The Applicants also allege that the proposed transaction would further the Commission's goal of extending opportunities in the wireless marketplace to small and minority-owned businesses by enabling Grain Management, a minority-owned business with an existing telecommunications infrastructure business, to participate in complementary spectrum-based services.

Preliminary review indicates that, as a result of the transaction, Verizon Wireless would be assigned or would lease 20 megahertz of PCS spectrum and/or 20 megahertz of AWS-1 spectrum in 33 counties in all or parts of 10 Cellular Market Areas across parts of Indiana, Kentucky, and Ohio. Post-transaction, Verizon Wireless would hold 107 to 147 megahertz of spectrum in total in these counties.

# II. SECTION 310(d) APPLICATIONS

The following applications for consent to the assignment or partitioning of licenses have been assigned the following file numbers:

File No.	<u>Licensee/Assignor</u>	Assignee	<b>Lead Call Sign</b>
00062416974	Cincinnati Bell Wireless LLC	Grain Spectrum III, LLC	WPOI243
0006241710	Cincinnati Bell Wireless LLC	Grain Spectrum IV, LLC	KNLF900
50002AWAA14 <sup>5</sup>	Grain Spectrum IV, LLC	Cellco Partnership	WQGB243
0006242185	Cellco Partnership	Grain Spectrum IV, LLC	WQGA717

The following application for a new long-term *de facto* transfer spectrum leasing arrangement has been assigned the following file number:

File No.	Licensee	Lessee	<b>Lead Call Sign</b>
7023ALNL14 <sup>6</sup>	Grain Spectrum III, LLC	Cellco Partnership	WPOI243

The following applications for new short-term *de facto* transfer spectrum leasing arrangements have been assigned the following file numbers:

File No.	<u>Licensee</u>	<u>Lessee</u>	Lead Call Sign
7026CWNL14 <sup>7</sup>	Grain Spectrum IV, LLC	Cincinnati Bell Wireless, LLC	KNLF900
7024CWNL14 <sup>8</sup>	Cellco Partnership	Cincinnati Bell Wireless, LLC	WQGB243
7025AWNL149	Grain Spectrum IV, LLC	Cellco Partnership	WQGA717

The following application for new short-term *de facto* transfer spectrum subleasing arrangement has been assigned the following file number:

File No.	<b>Licensee</b>	Lessee	<u>Sublessee</u>	Lead Call
6019ALSL14 <sup>10</sup>	Grain Spectrum III, LLC	Cellco Partnership	Cincinnati Bell Wireless, LLC	Sign WPOI243

<sup>&</sup>lt;sup>4</sup> The Applicants have designated ULS File No. 0006241697 as the lead application.

<sup>&</sup>lt;sup>5</sup> This manual application is attached to ULS File No. 0006241710.

<sup>&</sup>lt;sup>6</sup> This manual application is attached to ULS File No. 0006241697.

<sup>&</sup>lt;sup>7</sup> This manual application is attached to ULS File No. 0006241710.

 $<sup>^{\</sup>rm 8}$  This manual application is attached to ULS File No. 0006241710.

<sup>&</sup>lt;sup>9</sup> This manual application is attached to ULS File No. 0006242185.

<sup>&</sup>lt;sup>10</sup> This manual application is attached to ULS. File No. 0006241697. All of the manual applications include a request for waiver of the Commission's electronic filing requirements set forth in section 1.913(b) of the Commission's rules. Electronic filing of these manual applications is not currently possible in our Universal Licensing System. We hereby grant the requested waivers of section 1.913(b) to permit the manual filing of the listed manual applications.

### III. EX PARTE STATUS OF THIS PROCEEDING

Pursuant to section 1.1200(a) of the Commission's rules,<sup>11</sup> the Commission may adopt modified or more stringent *ex parte* procedures in particular proceedings if the public interest so requires. We announce that this proceeding will be governed by permit-but-disclose *ex parte* procedures that are applicable to non-restricted proceedings under section 1.1206 of the Commission's rules.<sup>12</sup>

Parties making oral *ex parte* presentations are directed to the Commission's *ex parte* rules. Parties are reminded that memoranda summarizing the presentation must contain the presentation's substance and not merely list the subjects discussed.<sup>13</sup> More than a one- or two-sentence description of the views and arguments presented is generally required.<sup>14</sup> Other rules pertaining to oral and written presentations are set forth in section 1.1206(b) as well.<sup>15</sup>

## IV. GENERAL INFORMATION

The assignment applications, the long-term *de facto* transfer spectrum leasing application, the short-term *de facto* transfer spectrum leasing applications, and the short-term *de facto* transfer spectrum subleasing application have been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules or policies.

Interested parties must file petitions to deny no later than **June 20, 2014**. Persons and entities that file petitions to deny become parties to the proceeding. They may participate fully in the proceeding, including seeking access to any confidential information that may be filed under a protective order, seeking reconsideration of decisions, and filing appeals of a final decision to the courts. Oppositions to such pleadings must be filed no later than **June 30, 2014**. Replies to such pleadings must be filed no later than **July 8, 2014**. All filings concerning matters referenced in this Public Notice should refer to WT Docket No. 14-79.

To allow the Commission to consider fully all substantive issues regarding the applications in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in their initial filings. New issues may not be raised in responses or replies. A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

Under the Commission's current procedures for the submission of filings and other documents, submissions in this matter may be filed electronically through the Commission's Electronic Comment Filing System ("ECFS") or by hand delivery to the Commission.

<sup>&</sup>lt;sup>11</sup> 47 C.F.R. § 1.1200(a).

<sup>&</sup>lt;sup>12</sup> 47 C.F.R. § 1.1206.

<sup>&</sup>lt;sup>13</sup> See 47 C.F.R. § 1.1206(b)(1).

<sup>14</sup> See id.

<sup>&</sup>lt;sup>15</sup> 47 C.F.R. § 1.1206(b).

<sup>&</sup>lt;sup>16</sup> See 47 C.F.R. § 1.45(c).

<sup>&</sup>lt;sup>17</sup> See FCC Announces Change in Filing Location for Paper Documents, Public Notice, 24 FCC Rcd 14312 (2009).

- To file electronically, 18 comments shall be sent as an electronic file via the Internet to http://apps.fcc.gov/ecfs. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket number. Parties may also submit an electronic comment by Internet e-mail.
- To file by paper, the original and four copies of each filing must be filed by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th St., S.W., Room TW-A325, Washington, D.C. 20554. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

One copy of each pleading must be delivered electronically, by e-mail or facsimile, or if delivered as paper copy, by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (according to the procedures set forth above for paper filings), to: (1) the Commission's duplicating contractor, Best Copy and Printing, Inc., at FCC@BCPIWEB.COM or (202) 488-5563 (facsimile); (2) Scott Patrick, Mobility Division, Wireless Telecommunications Bureau, at scott.patrick@fcc.gov or (202) 418-7447 (facsimile); (3) Linda Ray, Broadband Division, Wireless Telecommunications Bureau, at linda.ray@fcc.gov or (202) 418-7247 (facsimile); (4) Kate Matraves, Spectrum and Competition Policy Division, Wireless Telecommunications Bureau, at catherine.matraves@fcc.gov or (202) 418-7447 (facsimile); and (5) Jim Bird, Office of General Counsel, at TransactionTeam@fcc.gov or (202) 418-1234 (facsimile).

Copies of the applications and any subsequently-filed documents in this matter may be obtained from Best Copy and Printing, Inc. in person at 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, via telephone at (202) 488-5300, via facsimile at (202) 488-5563, or via email at FCC@BCPIWEB.COM. The application and any associated documents are also available for public inspection and copying during normal reference room hours at the following Commission office: FCC Reference Information Center, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. The application also is available electronically through ULS, which may be accessed on the Commission's Internet website. To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an email to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530 (voice) or (202) 418-0432 (TTY). Contact the FCC to request reasonable accommodations for filing comments (accessible format documents, sign language interpreters, CART, etc.) by email: FCC504@fcc.gov; phone: (202) 418-0530 or TTY: (202) 418-0432.

For further information, contact Scott Patrick, Mobility Division, Wireless Telecommunications Bureau, at (202) 418-2853, Linda Ray, Broadband Division, Wireless Telecommunications Bureau, at (202) 418-0257, or Kate Matraves, Spectrum and Competition Policy Division, Wireless Telecommunications Bureau, at (202) 391-6272.

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<sup>&</sup>lt;sup>18</sup> See Electronic Filing of Documents in Rulemaking Proceedings, GC Docket No. 97-113, Report and Order, 13 FCC Rcd 11322 (1998).